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**FISCAL IMPACT STATEMENT**

**LS 6134**

**BILL NUMBER:** HB 1062

**NOTE PREPARED:** Feb 24, 2006

**BILL AMENDED:** Feb 23, 2006

**SUBJECT:** School Corporation Police Department.

**FIRST AUTHOR:** Rep. Hinkle

**FIRST SPONSOR:** Sen. C Lawson

**BILL STATUS:** CR Adopted - 2<sup>nd</sup> House

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) This bill provides that the governing body of a school corporation (including a school city) may establish a school corporation police department that is staffed with police officers who have full police powers and whose survivors are eligible for death benefits. It requires school corporation police officers to have Law Enforcement Academy education and pre-basic and basic training and to participate in local continuing education programs. The bill requires a school corporation police officer who was appointed before July 1, 2006, to complete the Law Enforcement Academy education and basic training requirements not later than July 1, 2009. It imposes deadlines for school corporation police officers to begin Law Enforcement Academy education and basic training requirements. The bill provides that a school corporation police department established before July 1, 2006, is considered a school corporation police department established under this legislation.

The bill requires a school to establish a policy concerning the notification of the parents of a student who is interrogated by a law enforcement officer while on school property.

**Effective Date:** July 1, 2006.

**Explanation of State Expenditures:** *Special Death Benefit Fund-* This bill could minimally affect the Special Death Benefit Fund, which receives funding from a \$5 fee collected for each bail bond issued. The revenue from the fee is projected to be about \$468,000 per year. This fund provides a death benefit of \$150,000 for each public safety officer who dies in the line of duty.

The balance in the Special Death Benefit Fund as of December 10, 2005, amounted to \$1.259 M. Since 1998,

when the lump-sum special death benefit was increased to \$150,000, there have been 26 payments of \$150,000, totaling \$3.9 M.

Fluctuations in annual deaths, as well as interest rate changes and investment strategies would affect the life of the fund. It is not likely that the provisions of this bill would result in a significant increase of claims or administrative cost by the Auditor of State or by the Public Employees Retirement Fund.

*Law Enforcement Academy Training Costs-* School corporations would incur no additional cost regarding Law Enforcement Academy training of their officers. Currently, the Law Enforcement Academy accepts individuals only after having been investigated and hired by a law enforcement agency (in this case a school corporation). If the officer is mandated by law to receive police powers, the Law Enforcement Academy will provide training at no cost to the law enforcement agency.

The Law Enforcement Academy is funded by the dedicated Law Enforcement Training Fund, which is funded by court fee revenue (under IC 33-19-7-5) as well as by General Fund appropriations. The FY 2005 expenditures by the academy were \$4,144,534 (\$1,496,982 from General Fund dollars and \$2,647,552 of dedicated fund revenue). The academy reverted \$98,129 on June 30, 2005, and had on November 8, 2005, five vacant positions valued at \$99,450. Two of the vacant positions had been vacant for more than two years.

The cost for completing basic law enforcement training at the Academy is \$6,235 and includes more than 600 hours over 15 weeks of training. School corporations would not be required to pay this cost.

#### **Explanation of State Revenues:**

**Explanation of Local Expenditures:** *Salary and Benefit Costs-* School corporations opting to establish a police force would experience an increase in salary and benefit costs, including contributions to the Public Employees' Retirement Fund. Approximately 57 schools spent about \$10.2 M in employee salaries for security for the 2004-2005 school year.

School corporation budgets receive funding from a combination of the following sources: state support and local property, excise, and Financial Institution Taxes.

*Law Enforcement Academy Training Costs-* The pre-basic training course can be given locally and from course material that can be downloaded from the Law Enforcement Academy website. Schools could incur some additional costs in offering the program. The increase in costs from the pre-basic course would probably be minor. School corporations would incur no additional cost regarding Law Enforcement Academy basic training of their officers. Currently, the Law Enforcement Academy accepts individuals only after having been investigated and hired by a law enforcement agency (in this case a school corporation). If the officer is mandated by law to receive police powers, the Law Enforcement Academy will provide training at no cost to the law enforcement agency.

*Continuing Education Costs-* School corporations would incur no additional cost regarding the continuation of law enforcement training. School corporation officers would be included in existing county, city, and town continuing education programs funded by various local fees related to law enforcement.

*Notification of Battery:* The requirement that a school notify the appropriate law enforcement agency if a person commits battery or a related offense against a school corporation employee on school corporation

property or at a school event should not increase school expenses.

**Explanation of Local Revenues:**

**State Agencies Affected:** Law Enforcement Training Academy; Public Employees' Retirement Fund; Auditor of State.

**Local Agencies Affected:** Local school corporations; local law enforcement agencies.

**Information Sources:** Department of Education Databases, Law Enforcement Training Academy.

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